

STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Joint Submission of the Amended)
Plan of Record for Operations) Docket No. 00-0592
Support Systems ("OSS"))

FINAL STATEMENT OF POSITION OF
COVAD COMMUNICATIONS COMPANY
AND
RHYTHMS LINKS, INC.

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Covad Communications Company ("Covad") and Rhythms Links, Inc. ("Rhythms"), by their attorneys, hereby file their Final Statement of Position Related to the Joint Submission for Arbitration Per SBC/Ameritech's Amended Plan of Record for Operational Support Systems ("OSS").

I. INTRODUCTION

Covad and Rhythms are competitive local exchange carriers ("CLECs") that provide high speed Internet and network access utilizing Digital Subscriber Line ("DSL") technology. To provide service, Covad and Rhythms rely on various aspects of SBC/Ameritech's pre-ordering and ordering OSS which allow them to submit orders for and, ultimately obtain, DSL capable loops. One of the most important pre-ordering functions needed by DSL companies like Covad and Rhythms is the ability to verify a customer's location to be able to ascertain the central office that serves the customer and the ability to obtain loop information to be able to determine the type of DSL service that can be provided to the customer. The functional capability provided in SBC/Ameritech's ordering systems is equally critical for Covad and Rhythms to be able complete and submit a loop order to SBC/Ameritech. (Covad Initial Comments, Covad Ex. 2, p. 8)

The Federal Communications Commission ("FCC") has made clear that the non-discrimination principles of the Telecommunications Act of 1996 (47 U.S.C. §§ 151 *et seq.*) ("1996 Act") require incumbent local exchange carriers like SBC/Ameritech to provide CLECs with any information that "exists anywhere within the incumbent's back office and can be accessed by any of the incumbent LEC's personnel." *In the Matter of the Implementation of the Local Competition Provisions of the Telecommunications Act of*

1996, CC Docket No. 96-98, *Third Report and Order and Fourth Further Notice of Proposed Rulemaking*, ¶ 430 ("*UNE Remand Order*").

In particular, the FCC's *UNE Remand Order* requires that the "incumbent LEC must provide the requesting carrier with nondiscriminatory access to the same detailed information about the loop that is available to the incumbent, so that the requesting carrier can make an independent judgment about whether a loop is capable of supporting the advanced services equipment the requesting carrier intends to install." *UNE Remand Order*, ¶ 427. To that end, the FCC held:

Under our nondiscrimination requirement, an incumbent LEC cannot limit access to loop qualification information to such a green, yellow, or red indicator. Instead, the incumbent must provide access to the underlying loop qualification information contained in its engineering record, plant records and other back office systems so that requesting carriers can make their own judgments about whether those loops are suitable for the services the requesting carriers seek to offer.

Id. at ¶ 428.

Access to OSS is critical to a CLEC's ability to compete. Thus, the *UNE Remand Order* requires that CLECs be permitted the same level of access to data as ILECs enjoy themselves. The *UNE Remand Order* states that "to the extent that [ILEC] employees have access to the information in an electronic format, that same format should be made available to new entrants via an electronic interface." *UNE Remand Order*, ¶ 429. This Commission has enforced the FCC's mandate. In the *Rhythms/Covad* line sharing arbitration proceeding with SBC/Ameritech, the Commission recognized the obligations imposed on SBC/Ameritech by the 1996 Act related to the provision of OSS and ordered SBC/Ameritech to provide the CLECs full access to all OSS to which SBC/Ameritech

employees have access. *Covad/Rhythms Line Sharing Arbitration Award*, Dockets. 00-0312/00-0313 (Aug. 17, 2000).

The evidence submitted in this proceeding demonstrates that the pre-ordering and ordering OSS functions requested by Covad and Rhythms already exist in SBC/Ameritech's OSS and are available to its employees. (Covad Initial Comments, Covad Ex. 2, p. 8) Thus, they must be made available to CLECs. Despite these clear legal obligations, SBC/Ameritech does not currently allow CLECs to perform OSS functions in substantially the same time and manner as SBC/Ameritech does for itself.

Covad and Rhythms seek nondiscriminatory access to the same functions and information that SBC/Ameritech currently has access to through its OSS. Specifically, they seek access to the following functions and information: (1) "lite" address validation for qualifying and ordering stand alone DSL capable and line shared loops;¹ (2) spare loop availability;² (3) loop reservation;³ and (4) terminal makeup.⁴ Because SBC/Ameritech currently has access to this functionality and information, Covad and other CLECs must be granted similar access to allow them to compete and provide service in Illinois. In addition, Rhythms and Covad seek loop acceptance testing and cooperative maintenance testing for all types of DSL loops. Such testing is essential for delivering and maintaining reliable service to their end user customers. Given SBC/Ameritech's belated, poor

¹See Issue 13, below.

²See Issues 29 and 31, below.

³See Issues 29 and 31, below.

⁴See Issues 29 and 31, below.

performance implementing acceptance testing in Illinois, the Commission must take steps to ensure that SBC/Ameritech follows through on its commitments to provide acceptance testing and maintenance testing.

II. ARGUMENT

Disputed Issue 13: **Customer Service Record Address Validation (Lite Edit)**

Statement of Issue: When a CLEC order is received by SBC/Ameritech, validation rules are applied to the address fields on the order. Orders are often rejected if the address is not identical to the corresponding address in SBC/Ameritech's data base. SBC/Ameritech currently proposes to relax the address validation rules for resale, UNE-P, loops with number portability and line sharing, by March 2001. CLECs would like the functionality implemented earlier than March 2001, and for all orders.

Competitive Ramifications: The sooner relaxed validation is implemented, the sooner unnecessary order rejects will be reduced, and CLEC end user customers will receive service on a more timely basis.

POR Language: The fourth paragraph of Section III.C of the POR should be revised as follows:

Ameritech Illinois will do an abbreviated TN/address validation on all conversion retail, resale, CPO, loop with portability orders, line sharing and all other order types, including stand alone DSL loops, that include a telephone number of an existing Ameritech service. This will be implemented by December 2000 using business rules that are collaboratively developed in the Change Management Process.

In addition, the following should be added after the fourth paragraph of Section III.C of the POR:

By March 2001, Ameritech Illinois will develop and implement a process for synchronizing its Customer Service Record addresses to conform with the valid street addresses as reflected in its Street Address Guide. This process will also be designed to maintain synchronicity between the Customer Service Record address and Street Address Guide records.

Both SBC/Ameritech and the CLECs agree that SBC/Ameritech's OSS validation process should be relaxed such that an address need not be provided for CLEC orders. However, SBC/Ameritech's proposal to relax the order validation process does not apply to all orders and is being implemented too late. The Commission should require SBC/Ameritech to expand the orders to which relaxed validation applies and require relaxed validation to be implemented by no later than the end of 2000.

A. Introduction

The evidence establishes that the most frequent reason that SBC/Ameritech rejects CLEC orders is because the street address provided by the CLEC does not match the street address against which SBC/Ameritech validates the order. Indeed, industry-wide, approximately 35% of all orders reject for this reason.⁵ If the street address provided by a CLEC does not match the street address against which SBC/Ameritech validates an order either in form (e.g., the spacing of the street address) or in content (e.g., "St." versus "Str."), the order will reject. (AT&T Initial Comments, AT&T Ex. 4, pp. 25-29) This occurs even if the address is technically correct. (Covad Initial Comments, Covad Ex. 2, p. 3)

⁵This information became available in the FCC's SWBT Texas 271 investigation. (AT&T Initial Comments, AT&T Ex. 4, p. 25)

In the pre-ordering process, SBC/Ameritech provides CLECs access to the customer service record ("CSR") database, which includes information regarding the customer (e.g., directory listings, street address, telephone number, features and services ordered by the customer). CLECs use the information in the CSR to populate the fields of the order that must be provided to SBC/Ameritech. In addition, SBC/Ameritech provides CLECs access to the Ameritech Street Address Guide ("SAG") database. The SAG includes valid street addresses in the SBC/Ameritech region. The address information contained in these two databases does not always match in format and content. (AT&T Initial Comments, AT&T Ex. 4, pp. 25-29) For example, the actual addresses or abbreviations used may differ. Thus, one may include "Str." while the other includes "St." as the address for a particular location. Obviously, both forms are technically correct, but only one will pass SBC/Ameritech's address validation process as it currently works.

In addition, the SAG address information is provided in a "fielded" format, while the CSR is not. When information is provided in a "fielded" format, each piece of information (the number, the street name, etc.) is provided in a specific place or "field" on the form. Because the SAG information is provided in discrete fields, it is provided in a format that can be cut and pasted by the CLEC into an order in the format required by SBC/Ameritech. Because the address information in the CSR is provided in a non-fielded manner, it may not be properly "spaced" or provided in the format required by SBC/Ameritech's ordering systems. If the CLEC were to copy the CSR address information into an order it could be rejected. (AT&T Initial Comments, AT&T Ex. 4, pp. 25-29)

When CLECs send an order to SBC/Ameritech, SBC/Ameritech requires that CLECs provide the street address of the end user.⁶ Depending on the type of order, SBC/Ameritech validates the order through either the CSR or the SAG. SBC/Ameritech's systems compare the telephone number and address on the order to the telephone number and address in the customer service record. The address check assures that the order is posted to the correct customer record. (AT&T Initial Comments, AT&T Ex. 4, pp. 25-29)

When a reject occurs, the CLEC must attempt to discern which portion of the address did not match the customer record address. Once it makes that determination, it must manually resubmit the order. There is no guarantee that the resubmitted order will not be rejected. This is because SBC/Ameritech does not inform the CLEC as to the correction that needs to be made; it merely informs the CLEC which field has an erroneous entry. (Tr. 735-37) Manual re-submission of orders also introduces many additional steps that must be performed by the CLEC and, with each step, the CLEC must guess how the address is stored in SBC/Ameritech's SAG, creating an additional opportunity for error (and additional rejections) to occur. Each additional submission requires the use of additional CLEC resources and results in additional delay in the date on which the CLEC's customer receives service. (AT&T Initial Comments, AT&T Ex. 4, pp. 25-29; Covad Initial Comments, Covad Ex. 2, p. 4)

⁶This is consistent with the OBF industry ordering guidelines. (Tr. 784) However, it should be noted that while the guidelines require inclusion of an address on an order, other ILECs do not so require. In addition, relaxed validation could be implemented in a manner that addresses are required but their validation does not impact order rejection.

Relaxed or "lite" validation would allow CLEC orders to be verified based on the customer's telephone number, and not its address, because the address entry becomes optional.⁷ (Tr. 766-67) This form of validation avoids the many pitfalls inherent in the current validation process -- which stem from the fact that there are numerous ways to properly state a valid address -- and results in fewer CLEC orders being rejected. Because it only requires that ten numbers be input, the likelihood of errors in the order decreases substantially, which results in fewer rejected orders. (AT&T Initial Comments, AT&T Ex. 4, pp. 25-29)

During the collaborative process, SBC/Ameritech committed to offer CLECs "lite" address validation on migration orders for resale, UNE-P and loops with number portability. SBC/Ameritech refused, however, to allow CLECs to submit orders for unbundled loops and line shared loops using "lite" address validation. During the pendency of this proceeding, SBC/Ameritech modified its position to allow lite address validation for line sharing orders. (Tr. 725-728; Covad Initial Comments, Covad Ex. 2, p. 4) Why orders for unbundled loops continue to be left off the list that qualify for "lite" address validation is unclear. Orders for unbundled new loops flow through the same OSS gateways and backend systems as orders for line shared loops.

⁷SBC/Ameritech has not yet provided the specifics as to its current relaxed validation proposal, and could not indicate whether an address could be provided with the order, the validation of which would not cause order rejection. (Tr. 724-25, 749-51)

B. Scope of Orders to Which Relaxed Validation Would Apply

SBC/Ameritech has only offered "lite" validation for certain CLEC orders and has not yet provided to CLECs the business rules or detailed specifications of its proposal. (Tr. 750) Specifically, SBC/Ameritech has now committed to offer "lite" validation for orders that migrate an existing SBC/Ameritech customer to a CLEC using resale, combinations of UNEs, unbundled loop/number portability and line sharing. Significantly, the proposal excludes all orders for new unbundled loops. (AT&T Initial Comments, AT&T Ex. 4, pp. 25-29) SBC/Ameritech claims that it is offering "lite" validation for only "migration" orders or changes to an existing service, but not for "new service." (Tr. 711) However, SBC/Ameritech is offering "lite" validation for line sharing and it considers line sharing a new service. (Tr. 725) Thus, SBC/Ameritech's proposal is internally inconsistent. There is no basis for this artificial distinction between migration of service and new service. Moreover, SBC/Ameritech's change of position establishes that "lite" address validation could easily be applied to orders for new service.

The deficiency of SBC/Ameritech's proposal is best illustrated by an example. If an SBC/Ameritech customer with a single line decides to add a CLEC DSL loop to connect to the Internet, the CLEC order would continue to have to meet the overly rigorous address validation process for the order to not be rejected. However, if that same customer were to have two SBC/Ameritech lines and then cancel one and replace it with a CLEC DSL loop, that order would be deemed a migration, and lite validation would apply.⁸ In both

⁸This situation is similar to line sharing, where the customer obtains voice service from SBC/Ameritech, but data service over the high frequency portion of the loop from a CLEC. In such a case, SBC/Ameritech is willing to allow lite validation on the basis that the line sharing service "rides the existing line" so there is no "potential confusion about where the

cases, SBC/Ameritech had accurate address and telephone number information about the end use customer in its OSS systems. (Tr. 717-23) The lite validation process should be applicable to both these scenarios.

It is more reasonable to validate based on the customer's phone number than its address since there is only one way to state a phone number, but multiple ways to state an address. In other words, there can only be ten digits to a phone number. (Tr. 702) On the other hand, there are multiple ways to specify any particular address, all of which would be technically correct for all purposes other than validation on SBC/Ameritech's databases. (Tr. 705-06) SBC/Ameritech should have no opposition to use of the customer's phone number for order validation purposes, since the phone number is used by SBC/Ameritech for retail purposes. For example, if a retail customer calls SBC/Ameritech to order additional service, SBC/Ameritech identifies the customer by its telephone number. (Tr. 707)

SBC/Ameritech will likely argue that lite validation is not as pressing a change as it once was because of the improvements made to SBC/Ameritech's address validation transaction to include validation through the living unit database during the pre-ordering process. However, the record indicates that while improvements have been made in the pre-ordering process, a significant portion of orders nevertheless continue to be rejected due to the translations needed to fill in the address fields in the ordering form. (Tr. 740-41) SBC/Ameritech's promises of future OSS gateway improvements to address validation only

service would be provided." (Tr. 728-29) There simply is no practical or relevant difference between the line sharing scenario and the provision of a new loop where the customer continues to obtain phone service from SBC/Ameritech.

highlight the fact that SBC/Ameritech would prefer to "hack" at the software instead of fix the problem. In short, to eliminate the problem of order rejects because of address discrepancies, "lite" address validation must be utilized.

SBC/Ameritech is not the only SBC ILEC to be faced with address validation problems. Its Texas ILEC affiliate, SWBT, determined to implement a relaxed form of validation as part of its 271 approval process. The evidence shows that once relaxed validation was implemented, WorldCom's rejection rate dropped from an outrageously high 50% to less than 20%. (Tr. 761-65) While SBC/Ameritech attempted to distinguish the situation in Texas from the present situation in Illinois, its expert reluctantly admitted that there is probably some correlation between WorldCom's reject rate decreasing and lite validation being introduced. (Tr. 765)

The Commission must also recognize that SBC/Ameritech's inadequate proposal fails to eliminate the root cause of the problem: the conflict between the databases from which CLECs retrieve customer addresses. Other ILECs have addressed this same problem. For example, Verizon deployed an upgraded system including a full synchronization of street address records and customer service records. The synchronization of the two data bases was engineered using the hypothesis that the CSR was more likely to be incorrect than the SAG, since the customer service records were, in many cases, established prior to the ILEC's decision in the early 1980s to begin to verify orders for new service locations against the SAG. Discrepancies between CSRs and SAG entries were resolved by replacing the CSR address with the SAG address applying a one-time scrub of the databases. This process can and should be done by SBC/Ameritech. (AT&T Initial Comments, AT&T Ex. 4, pp. 25-29)

C. Timing of Implementation of Relaxed Validation

The POR which is the subject of this proceeding currently reflects that SBC/Ameritech has offered to implement a limited form of "lite" validation by December 2000. (Jt. Pet., Ex. 2, p. 11) In its initial comments, and again at the hearing, SBC/Ameritech informed the parties that it no longer is willing to implement lite validation by December 2000. (See Tr. 768-69) A December 2000 implementation date is not soon enough. The newly delayed date of March 2001 is even more unacceptable.

SBC/Ameritech agreed to implement lite validation in December 2000.⁹ In the eleventh hour, SBC/Ameritech changed its mind and slipped the date back by three months. (Tr. 768-69) It is not clear what prompted SBC/Ameritech to conclude at the last minute that it could no longer do what it had committed to the CLECs and Staff that it would do (see Tr. 768), but any reason it may now offer will be disingenuous at best. SBC/Ameritech could implement this change by the end of the year, if it were required to do so. The evidence shows that its affiliate, SWBT, implemented lite validation in Texas within 30 days. Its decision to do so was based on its desire to obtain 271 authority. (Tr. 771-72) While SBC/Ameritech is not seeking such authority here, and therefore has no real incentive to implement this change quickly, the Commission should nevertheless hold SBC/Ameritech's feet to the fire and require it to implement this necessary OSS change by no later than the end of the year.

⁹In fact, SBC/Ameritech originally proposed a September 2000 implementation date. During the collaborative process, that date was moved back to December 2000. (Tr. 778-79)

Importantly, the evidence is clear that approximately 35% to 40% of orders are rejected based on faulty addresses. (AT&T Initial Comments, AT&T Ex. 4, p. 25; see e.g. Tr. 788-90, 792-95) This is clearly a significant problem. The evidence further demonstrates that relaxed validation will significantly improve the problem. (Covad Initial Comments, Covad Ex. 2, p. 4; Tr. 800) The sooner it is implemented, the better for competition. As Rhythms' expert Brian Baltz testified:

[B]y pushing that release out, we are not engaging in light validation. That means that we are going to experience a reject rate of 35 to 40 percent for an additional 90 days. That means that we are not going to be able to offer service to our end users in a reasonable cycle time. So it's critical that validation is released as quickly as possible. . . . You always have the ability to correct the rejects, but the goal would be to eliminate the reject and allow that order to flow correctly the first time through.

(Tr. 798-99) While the CLECs do not believe December 2000 is soon enough, it is exceedingly better than the new implementation date of March 2001 now proffered by SBC/Ameritech.

D. Conclusion

In order to ensure that CLEC orders are not being inappropriately rejected, i.e., rejected when the correct phone number is provided, the Commission should require SBC/Ameritech to offer "lite" validation for all order types by no later than the end of the year. In the long term, the Commission should require SBC/Ameritech to eliminate the cause of this problem by synchronizing the data included in the SAG and CSR.

Disputed Issues 29 and 31: DSL Loop Qualification

Statement of Issue:

This disputed issue involve 3 separate issues: (1) Whether CLECs should be provided information in the pre-ordering stage regarding more than a single available loop to a particular customer location. The CLECs propose that SBC/Ameritech provide information on up to 10 available loops for a particular location; (2) Whether CLECs should be allowed to reserve loops identified in the pre-ordering process. SBC/Ameritech should provide a pre-ordering function which allows CLECs to remove a loop from the pool of spare loops to a particular customer location; and (3) Whether SBC/Ameritech should provide a pre-ordering function which allows CLECs to inquire about the configuration of a particular terminal. The CLECs believe such information should be made available. CLECs want these enhancements made available by December 31, 2000.

**Competitive
Ramifications:**

If SBC/Ameritech is allowed to continue providing information in the pre-ordering process on only a single loop that is capable of providing service to a particular location, the CLEC's customer may be unable to obtain the fastest speed of DSL service available, and may face increased cost or delay in obtaining DSL service. If the CLEC proposal is adopted, the CLEC will be able to inform the customer as to its DSL service options, and the customer can then make an informed decision concerning the type of DSL service it wishes to obtain. Even if the CLEC pre-ordering proposal is adopted, the customer is not guaranteed that it will be able to obtain its desired DSL service unless the CLEC is allowed to reserve the particular loop upon which the customer made its decision in the pre-order process. If a loop may be reserved, the CLEC can guarantee to the customer that it will be able to provide the particular service desired by the customer.

POR Language:

The following language should be added to Section III.B of the POR:

SBC/Ameritech will provide a pre-ordering function through its EDI and TCNet interfaces which will allow the CLECs to inquire about all the available loops to a particular customer location. The interfaces will accept a working telephone number or an address as valid input and respond with similar information that is currently being provided via the loop qualification function. In addition, the inquiry function will return the circuit ID or telephone number associated with each loop. SBC/Ameritech will not require the address as input if the working telephone number is supplied by the CLEC. SBC/Ameritech will respond with up to 10 available loops for a particular location. This functionality will be available to the CLECs by December 31, 2000.

SBC/Ameritech will provide a pre-ordering function through its EDI and TCNet interfaces which will allow the CLECs to remove a loop from the pool of spare loops to a particular customer location. The interfaces will accept a circuit ID or telephone number as valid input and respond with a reservation tracking number. That tracking number will be an optional input field on the subsequent LSR. If the CLEC supplies the reservation tracking number on the LSR the loop associated with that number will be provisioned for the customer. Reservation will expire after four (4) days if a corresponding order is not received from SBC/Ameritech. This functionality will be available to the CLECs by December 31, 2000.

SBC/Ameritech will provide a pre-ordering function through its EDI and TCNet interfaces which will allow the CLECs to inquire about the configuration of a particular terminal, SBC/Ameritech will accept the terminal address or CLLI code and respond with the information which will identify all the F1 loops connected to the terminal and services offered over those loops. SBC/Ameritech will also provide a list of all the distribution loops served by that terminal. In addition, SBC/Ameritech will retrieve from the terminal and forward to the CLECs all the data stored in the terminal Management Information

Base. This functionality will be available to the CLECs by December 31, 2000.

A. Provision of Loop Information in Pre-Ordering

The ability to access spare loop availability information is critical to CLECs' ability to offer service broadly to Illinois consumers. SBC/Ameritech refuses to make this information available. The Commission must require SBC/Ameritech to do so.

DSL is a technology that uses plain, copper lines to transmit high-speed digital service. A CLEC's ability to offer DSL services varies depending on the line's characteristics and length. (Tr. 819) For example, certain features on a line, such as load coils or excessive bridged tap, may hinder, and in some cases, halt the transmission of DSL service. (*Id.*) To enable those loops to support digital transmission, SBC/Ameritech needs to remove certain features of the line that impede digital transmission (load coils, excessive bridged tap, and repeaters), a process called conditioning. (Covad Initial Comments, Covad Ex. 2, pp. 5-6)

In addition, DSL is a distance sensitive technology. As a general matter, Covad offers a number of speeds of DSL service. Covad can provide any of its DSL services over a loop facility unless the following factors are encountered: (1) a loop is provisioned on fiber, and (2) the copper loop is longer than 18,000 feet. If these factors are encountered, a customer can obtain only Covad's lowest DSL service, IDSL. (Covad Initial Comments, Covad Ex. 2, p. 6)

When a CLEC requests a loop in the pre-ordering process, SBC/Ameritech selects only a single loop to respond to that inquiry. That selection is not based on any optimization process, but merely the address. (Tr. 825-26, 829) Most customers may be

served by multiple loops, each of which has slightly different characteristics and can support different levels of DSL service. One loop may support ADSL or other faster speeds of DSL service, while another may support only IDSL, a slower service. Thus, a data CLEC's DSL service offerings for a particular DSL customer are limited by SBC/Ameritech's loop selection process both in pre-ordering and ordering. (Covad Initial Comments, Covad Ex. 2, pp. 7-8)

SBC/Ameritech's current process of providing only one loop in response to a CLEC request is problematic and anti-competitive for several reasons. First, it results in additional, unnecessary delay and cost. If SBC/Ameritech chooses a loop with load coils, bridged tap or repeaters, notwithstanding the existence of another loop that need not be conditioned, conditioning would be required to provide DSL service. Performing the conditioning could add five days to the provisioning process.¹⁰

In addition, SBC/Ameritech's choice of a single loop could be significantly more costly to the CLEC. This is because SBC/Ameritech's current proposed pricing for conditioning a loop less than 17,500 feet is: \$905.82 for removal of a load coil; \$528.97 for removal of bridged tap; \$326.86 for removal of repeater(s); \$819.54 for removal of bridged tap and repeaters; and \$1,421.80 for removal of bridged tap(s) and load coil(s).¹¹ Thus, for example, if load coils are on the line, the CLEC would be required to pay an

¹⁰SBC/Ameritech's standard provisioning interval where no conditioning is required is 5 business days, while its standard interval if conditioning is required is 10 business days. (Covad Initial Comments, Covad Ex. 2, p. 8)

¹¹These rates are currently under review in Docket No. 00-0393.

additional \$905.82 to have them removed, notwithstanding the existence of another available loop that needs no conditioning. (Covad Initial Comments, Covad Ex. 2, p. 7)

Most significantly from the end use customer's perspective, SBC/Ameritech's arbitrary selection process could serve to artificially limit the type of DSL service available to that customer. This could occur if SBC/Ameritech selects only the longest loop to this customer's location, when a shorter loop is also available. While the customer may desire the fastest DSL service offered by the CLEC, the CLEC may not be able to provide that service since the longer length of the line limits the DSL service options. (Covad Initial Comments, Covad Ex. 2, pp. 7-8)

While SBC/Ameritech claims that its ordering process chooses the most "optimal" loop for the CLEC's needs, this claim was belied by the facts. A careful reading of SBC/Ameritech's initial comments indicates that the loop selected to meet a pre-order request is the loop that "meets the minimum specification of the service being requested." (Amer. Initial Comments, Amer. Ex. 15, 79) Since CLECs are not required to specify the type of DSL service they intend to offer over the loop, SBC/Ameritech assumes the slowest speed DSL service, which allows it to select lines that are incompatible with the higher speed DSL service desired by some customers. (See Tr. 833-35)

Moreover, SBC/Ameritech's optimization process is dependent upon the information contained in SBC/Ameritech's databases. SBC/Ameritech witnesses acknowledged that the optimization process does not take loop length into consideration, while loop length is an important characteristic for DSL-capable loops. (Tr. 835) Although the SBC/Ameritech witnesses testified that the optimization process considers the existence of the type of interferers that require a loop to be conditioned, in cross-examination they were forced to

admit that up to date information on these facilities is not maintained.¹² (Tr. 835-36) Thus, if bridged tap or load coils are in place but not in the database, a line that requires conditioning may be selected even though another line is available that need not be conditioned. Even SBC/Ameritech's witness had to admit that SBC/Ameritech's selection process does not necessarily select the most optimal DSL-capable loop, and in fact may choose a loop that requires conditioning even though another loop is available at the same location that does not require conditioning. (Tr. 839-42)

These significant shortcomings of SBC/Ameritech's current pre-ordering and ordering processes can best be described by example. Three loops may be available to serve a customer: Loop A is 15,000 feet in length with no load coils, excessive bridged tap, or repeaters; Loop B is 15,000 feet in length with load coils; and Loop C is 19,000 feet due to bridged tap or because it is served off a different distribution cable. Currently, when a CLEC orders a line, SBC/Ameritech selects one of the three loops that are available and assigns it to that CLEC. That selection is not necessarily based on the length of the line or whether conditioning is required. Thus, SBC/Ameritech may assign Loop B, which would mean that the CLEC would have to request that SBC/Ameritech condition the loop. (Covad Initial Comments, Covad Ex. 2, pp. 6-7)

In contrast, if SBC/Ameritech assigned Loop A, conditioning would not be needed since no load coils are on the line. As a result, SBC/Ameritech could provision the line more quickly, thereby allowing the quicker provision DSL service to the end user. In

¹²It could be up to six years before SBC/Ameritech's databases contain complete information regarding the existence of load coils and bridged tap. (Tr. 842)